



Federal Communications Commission  
Washington, D.C. 20554

April 2, 2003

Mr. Gerald Asch  
Director – Federal Regulatory  
Verizon Communications, Inc.  
1300 I Street, N.W.  
Suite 400 West  
Washington, D.C. 20005

RE: Section 271 Compliance Review Program for Section 271-Approved States in the  
Verizon Region

Dear Mr. Asch:

Since passage of the Telecommunications Act of 1996, the Commission has granted Verizon authorization, pursuant to section 271, to provide interLATA services in all of the states within its region – New York, Massachusetts, Connecticut, Pennsylvania, Rhode Island, Vermont, Maine, New Jersey, New Hampshire, Delaware, Virginia, West Virginia, Maryland and Washington, D.C. On July 2, 2002 and January 23, 2003, we sent Verizon letters regarding the Enforcement Bureau's Section 271 Compliance Review Program for the eleven states approved at that time.<sup>1</sup> We now include the three recently approved states – Maryland, Virginia and the District of Columbia -- in that program.<sup>2</sup>

The Enforcement Bureau ("the Bureau") will monitor Verizon's continuing compliance with section 271 in each approved state. This program is based on a structured and systematic approach to compliance review and enforcement. The Bureau has assigned a team of auditors, attorneys, and other professional staff from the Investigations and Hearings Division ("Compliance Review Team" or "Team") to work with Verizon through the duration of the review and to monitor Verizon's performance in the states where it has received section 271 approval. The primary team members responsible for this review are Trent Harkrader, Attorney, and Jeff Stover, Auditor, for the former Bell Atlantic North states<sup>3</sup>; and Raelynn Tibayan Remy, Attorney, Andrew Skadin, Auditor, and Austin O'Connor, Auditor, for the former Bell Atlantic South states.<sup>4</sup>

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<sup>1</sup> See Letter from Maureen F. Del Duca, Deputy Chief, Investigations and Hearings Division, Enforcement Bureau, to Gordon R. Evans, Vice President, Federal Regulatory, Verizon, dated July 2, 2002 ("July 2, 2002 Letter"); Letter from Maureen F. Del Duca, Acting Chief, Investigations and Hearings Division, Enforcement Bureau, to Gerald Asch, Director, Federal Regulatory, Verizon, dated January 23, 2003 ("January 23, 2003 Letter").

<sup>2</sup> See *Application by Verizon Maryland Inc., Verizon Washington, D.C. Inc., Verizon West Virginia Inc. et al. for Authorization to Provide In-Region, InterLATA Services in Maryland, Washington, D.C. and West Virginia*, Memorandum Opinion and Order, FCC 03-37 (rel. March 19, 2003) ("*Verizon MD/DC/WVA Order*").

<sup>3</sup> Those states include New York, Massachusetts, Connecticut, Rhode Island, Vermont, Maine, and New Hampshire.

<sup>4</sup> Those jurisdictions include Pennsylvania, New Jersey, Delaware, Maryland, Virginia, West Virginia, and Washington, D.C.

During the review, the Team will closely monitor Verizon's performance in subject matter areas that the Commission has identified as areas of concern in each section 271 Order. In this regard, we have enclosed with this letter an attachment listing the specific performance measures and other areas about which the Commission expressed concern in its decision covering Maryland, Washington, D.C. and West Virginia. Although the Enforcement Bureau will focus its review on these areas, it may also monitor other areas not noted by the Commission in its orders. Generally, the Bureau's review will occur in three phases:

**Phase 1:** The Phase 1 review will occur during the first six months following the section 271 grant. Following Verizon's receipt of this letter, a representative from the Bureau will contact the company to schedule a planning meeting or conference call with Verizon representatives and the Team overseeing the review. The purpose of this meeting is to provide Verizon with the opportunity to participate in developing the Review Program and to assist the Bureau in determining the type and format of information pertaining to Verizon's performance that the Team will review.

**Phase 2:** The Phase II review will occur during the second six-month period after the grant. This phase of the review could include the issuance of a request for information directing Verizon to update information submitted previously, or to provide additional information concerning its performance since the Phase I review. The information responsive to such a request will be due at the end of the Phase II review period. As in Phase I, the Team will also continue to monitor Verizon's performance through the carrier-to-carrier reports. The Team will not limit its review in Phase 2 to performance data or information derived from only the second six-month period; rather, when evaluating the need for any further action, the Team will consider all of the post-authorization data and information.

**Phase 3:** The third phase of the review will begin after Verizon submits information the Team may have required in Phase 2.

At any time during this review, the Team may ask Verizon to provide additional information or to attend meetings or conference calls with Verizon employees who have expertise in specific subject matters. These additional inquiries may supplement existing requests or may encompass new inquiries.

If you have any general questions concerning the issues raised in this letter, please feel free to contact me at (202) 418-1420. You may also contact William Davenport, Assistant Chief, Investigations and Hearings Division, at (202) 418-1034 or Trent Harkrader, Section 271 Compliance Review Program Team Leader, at (202) 418-2955. Thank you in advance for your cooperation.

Mr. Gerald Asch  
April 2, 2003  
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Sincerely,

Maureen F. Del Duca  
Chief, Investigations and Hearings Division  
Enforcement Bureau

**Maryland, Washington, D.C., West Virginia  
Commission Identified Compliance Review Subjects<sup>5</sup>**

- I. Checklist Item 2: Unbundled Network Elements
  - A. Operations Support Systems
    - 1. Ordering (*Verizon MD/DC/WVA Order* at ¶¶ 21-24)
    - 2. Provisioning (*id.* at ¶ 25)
    - 3. Wholesale Billing (*id.* at ¶¶ 26-34)
    - 4. Maintenance and Repair (*id.* at ¶¶ 35-36)
    - 5. UNE Combinations (*id.* at ¶¶ 37-38)
  - B. Pricing (*id.* at ¶¶ 39-96)
- II. Checklist Item 12: Dialing Parity (*id.* at ¶¶ 97-101)
- III. Checklist Item 1: Interconnection (*id.* at ¶¶ 102-118)
- IV. Checklist Item 4: Unbundled Local Loops
  - A. xDSL Loops, Digital Loops, Voice Grade Loops, and Hot Cuts (*id.* at ¶ 121)
  - B. High-Capacity Loops (*id.* at ¶ 122)
  - C. Dark Fiber (*id.* at ¶¶ 123-126)
- V. Checklist Item 7: 911-E911 Access and Directory Assistance/Operator Services (*id.* at ¶¶ 127-128)
- VI. Checklist Item 8: White Pages (*id.* at ¶¶ 129-137)
- VII. Checklist Item 10: Databases and Associated Signaling (*id.* at ¶¶ 138-139)
- VIII. Checklist Item 11: Number Portability (*id.* at ¶¶ 140-142)
- IX. Checklist Item 13: Reciprocal Compensation (*id.* at ¶¶ 143-152)
- X. Checklist Item 14: Resale (*id.* at ¶¶ 153-158)

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<sup>5</sup> The Bureau may monitor for enforcement purposes other subjects or performance indicators not expressly noted by the Commission in the *Verizon MD/DC/WVA Order* or this letter.